

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20250

SECRETARY'S MEMORANDUM SM 1076-016
October 5, 2016

Establishment of an Office of the Chief Risk Officer for Rural Development

1. PURPOSE AND BACKGROUND

The purpose of this memorandum is to establish an Office of the Chief Risk Officer (OCRO) within the Rural Development (RD) Mission Area. This office would report directly to the Under Secretary for Rural Development.

2. ACTIONS ORDERED

The OCRO is hereby established, including the allotment of a Senior Executive Service position in the OCRO that will be filled by the Chief Risk Officer (CRO) for Rural Development who will report to the Under Secretary for Rural Development. Within the OCRO, the CRO will be supported by additional analytical and administrative support to be provided within the funds available to Rural Development. The risk management activities to be performed by the CRO shall include, but are not limited to:

- a. Leadership and facilitation of the flow of information throughout and across the Mission Area so that RD's leadership gains earlier awareness of major risks and opportunities;
- b. Analysis and guidance on potential budgetary and financial issues that may impair RD's ability to carry out its mission effectively;
- c. Provision of program evaluation capabilities to supplement those of RD's program agencies to improve the understanding of performance and programmatic management issues of the Under Secretary and other senior RD leaders; and
- d. Proactive identification of the potential risks of new initiatives and alternate business practices to support innovation and enhanced mission performance.

3. INCIDENTAL TRANSFERS

The Assistant Secretary for Administration, the Office of Budget and Program Analysis, and the Chief Financial Officer are authorized to approve such transfer of funds,

personnel, employment authority, space, records, property, and incidentals as may be necessary to implement the provisions of this memorandum.

4. EXISTING DIRECTIVES

Prior delegations of authority, administration regulations, and other directives that are not inconsistent with the provisions of this memorandum shall remain in full force and effect.

5. EFFECTIVE DATE AND TERMINATION

This memorandum is effective immediately and will remain in effect for one year from the effective date or until such earlier time as Rural Development completes the Departmental Regulation 1010 process to finalize permanent establishment of the Office of the Chief Risk Officer.

/s/ THOMAS J. VILSACK
SECRETARY OF AGRICULTURE